



San Diego City Attorney **MICHAEL J. AGUIRRE**

NEWS RELEASE

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CALIFORNIA SUPREME COURT ASKED TO REVIEW OR DEPUBLISH LOWER COURT DECISION USED TO DISMISS CITY'S PENSION CASE

San Diego, CA: The City Attorney's Office has filed an amicus letter in support of a petition to the California Supreme Court requesting a review or depublishation of the Court of Appeals decision in the *Brandenburg v. Eureka Development Agency* case. *Brandenburg* held there is a one-year statute of limitations for conflict of interest cases. The case was recently cited by San Diego Superior Court Judge Jeffrey B. Barton as the reason for dismissing the City's pension case.

According to City Attorney Michael Aguirre, the appellate court's decision contradicts new legislation which extends the statute of limitations to four years and makes it retroactive.

"We have made this request to the California Supreme Court in order to give taxpayers their day in court," said City Attorney Michael Aguirre.

Since 2005, City Attorney Aguirre has been attempting to eliminate more than \$800 million in illegal and unfunded pension benefits, approved by City Councils in 1996 and 2002. However on August 6, 2007, Barton dismissed the City's pension case, citing the one-year statute of limitations and ruling the new legislation doesn't apply to the City's pension case. Aguirre disagrees with the Court's ruling.

"Judge Barton misread the case," said Aguirre.

According to Aguirre, the new law, which takes effect January 2008, amends the state's conflict of interest law and extends the statute of limitations to four years, providing "the public relief from contracts entered into by persons who had a personal financial interest in the contract when the contract was entered into."

Beginning in Fiscal Year 2008, huge amounts of taxpayer dollars will be directed to the City employee pension system over the next 20 years. The annual pension contribution of over \$157 million will more than double to \$354 million by the end of the amortization period.

According to Aguirre, the money to pay for pension benefits will come from a city account that belongs to the taxpayers, and is used for fixing City's streets, sidewalks, broken pipes, as well as funding libraries and recreation centers.

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